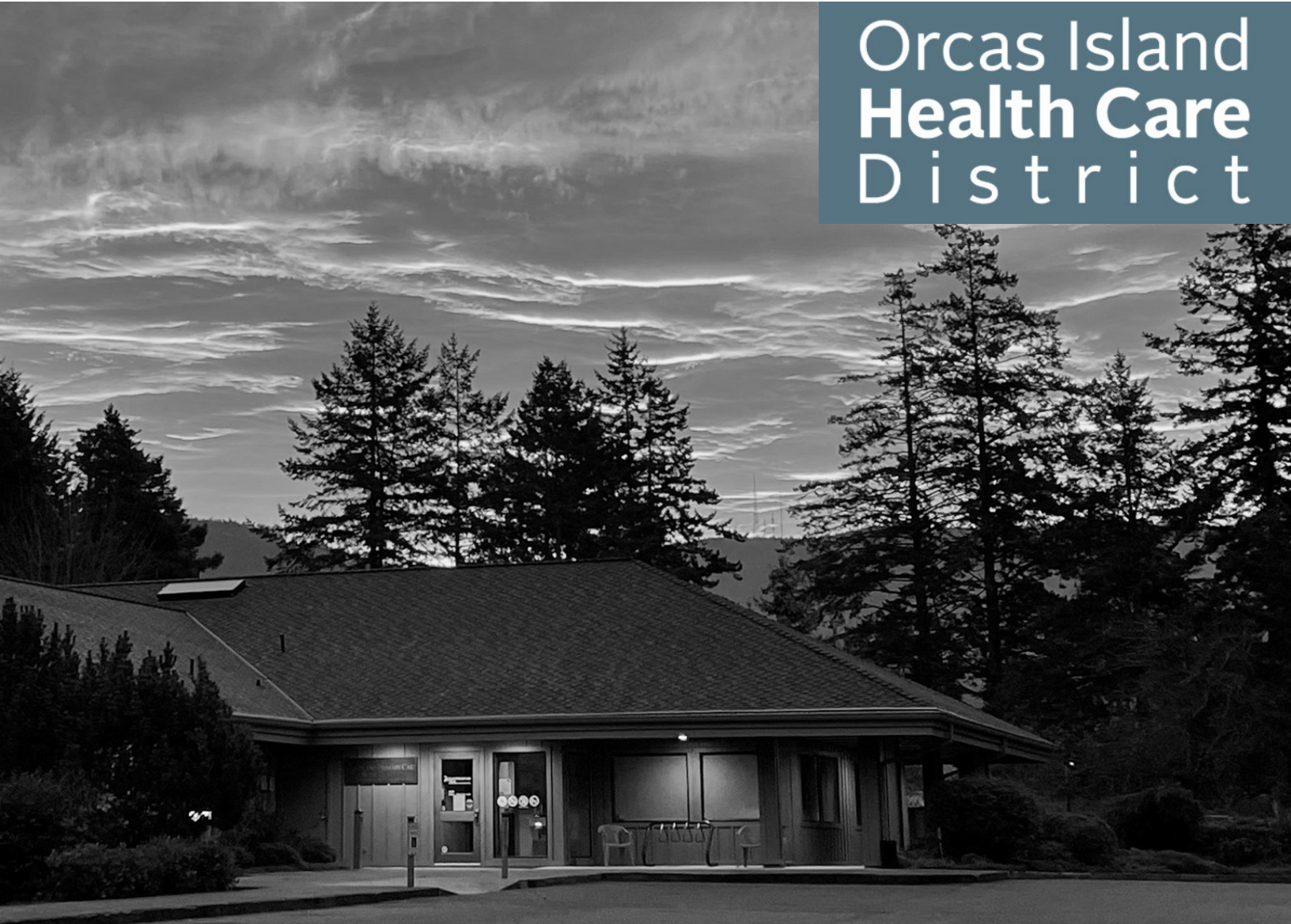


# Orcas Island Health Care District



## Orcas Island Health Care District Market Readiness & Capital Planning Proposal

Eastsound, WA

February 19, 2026



Building Healthier Communities Together

Chris Chord  
Orcas Island Health Care District  
410 Prune Alley, Unit B  
Eastsound WA 98245

Subject: Proposal Submission for Market Readiness & Capital Planning

Dear Chris,

I am writing on behalf of High Point Healthcare Real Estate to express our enthusiasm for the opportunity to collaborate with you on this exciting and transformative initiative for the Orcas Island community. At High Point, our mission is to enhance healthcare infrastructure in underserved and growing regions by delivering innovative development strategies and customized project solutions. With your distinguished history of providing accessible, high-quality care, we are eager to contribute to your ongoing success.

Our proposal focuses on the Market Readiness & Capital Planning phase of the project, establishing the materials and analysis needed to bring the project confidently to market. This phase is designed to prepare the project for funder, lender, and stakeholder engagement while aligning with your goals of improving care delivery, expanding access, and supporting long-term operational efficiency. By emphasizing accessibility, sustainability, and financial readiness, this work positions the project to advance toward fundraising and implementation in support of the Orcas Island community and your future permanent location.

Key highlights of our proposed approach for the initial concept phase include:

- **Alternative Financing Availability and Readiness Review:** Assist the District understand how grants, New Markets Tax Credits, and impact capital could support the project, including key eligibility, timing, and coordination considerations.
- **Capital Structuring & Funder Packaging:** Prepare a concise, funder-ready package for use in grant applications, impact capital outreach, new market tax credit pursuit, and lender discussions.

High Point is a full-service development company and is prepared to support the clinic project beyond the initial consulting agreement, from a continued funding pursuit and/or a full project management role. This scope would be handled through a separate consulting agreement.

We are excited about the opportunity to support Orcas Island Health Care District in its mission to provide equitable and inclusive healthcare services. I would be delighted to discuss this proposal further and answer any questions. Please feel free to reach out to me directly for more details or clarification. Thank you for considering High Point Healthcare Real Estate as your partner in this vital project.

Sincerely,



Katie Newman  
Chief Executive Officer  
High Point Healthcare Real Estate

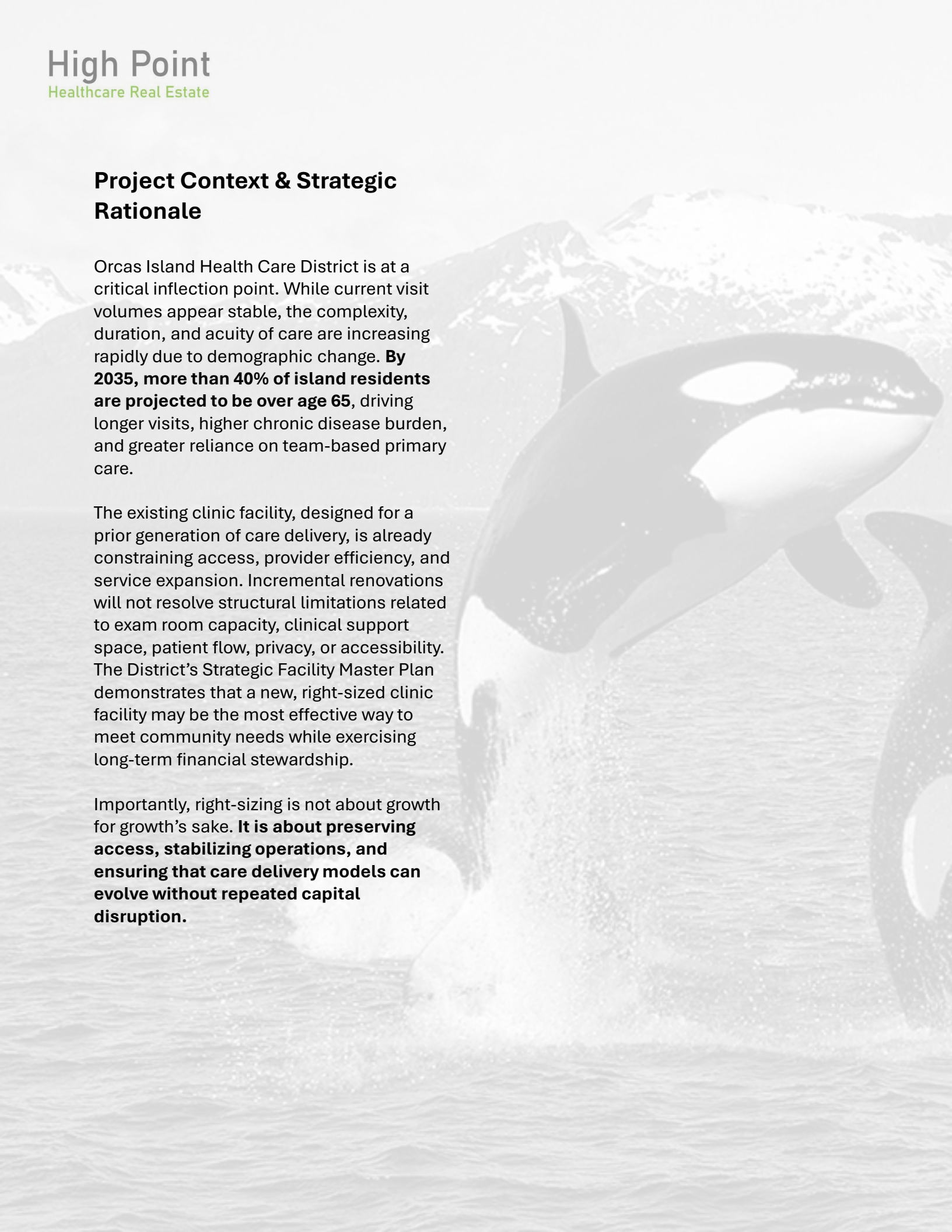
Enclosures: Cash Flow Estimate

## Project Context & Strategic Rationale

Orcas Island Health Care District is at a critical inflection point. While current visit volumes appear stable, the complexity, duration, and acuity of care are increasing rapidly due to demographic change. **By 2035, more than 40% of island residents are projected to be over age 65**, driving longer visits, higher chronic disease burden, and greater reliance on team-based primary care.

The existing clinic facility, designed for a prior generation of care delivery, is already constraining access, provider efficiency, and service expansion. Incremental renovations will not resolve structural limitations related to exam room capacity, clinical support space, patient flow, privacy, or accessibility. The District's Strategic Facility Master Plan demonstrates that a new, right-sized clinic facility may be the most effective way to meet community needs while exercising long-term financial stewardship.

Importantly, right-sizing is not about growth for growth's sake. **It is about preserving access, stabilizing operations, and ensuring that care delivery models can evolve without repeated capital disruption.**



## **Considering Facility Path Options: Operational and Financial Perspectives**

As Orcas Island Health Care District evaluates options for meeting current and future community healthcare needs, both incremental improvements to the existing clinic and development of a new, right-sized facility merit careful consideration. Each path presents distinct opportunities and tradeoffs related to operations, finances, and long-term flexibility. Our role is to support the District in evaluating and advancing the option that best aligns with its goals, resources, and timing.

### **Operational Considerations**

Modern outpatient care models increasingly rely on team-based delivery, longer and more complex visits, and integration of behavioral health, preventive care, and visiting specialty services. A purpose-built, right-sized facility can offer greater flexibility to support these models through:

- Adequate exam room capacity per provider to reflect evolving visit length and acuity
- Dedicated triage, procedure, and nurse-led care space
- Improved accommodation for visiting specialists, telehealth, and care coordination
- Enhanced patient flow, privacy, and ADA accessibility

At the same time, targeted renovations to the existing facility may address select operational constraints in the near term. The relative benefits of each approach depend on the District's desired service mix, staffing model, and anticipated pace of change.

### **Financial Considerations and Risk Management**

From a financial perspective, both incremental renovation and new construction can be structured responsibly. A new, right-sized facility may offer advantages related to long-term cost predictability, reduced lifecycle maintenance risk, and avoidance of repeated capital disruptions over time. Conversely, phased improvements to the existing facility may allow for lower upfront investment and incremental deployment of capital.

Evaluating these options involves balancing near-term affordability with long-term operational resilience, staffing stability, and the likelihood of future capital needs. No single approach is inherently preferred; the appropriate path depends on funding availability, risk tolerance, and strategic priorities.

## **Considering Facility Path Options: Operational and Financial Perspectives**

### **Capital and Funding Flexibility**

Project scale, program clarity, and long-term viability all influence funding eligibility. A larger, future-oriented facility can broaden the range of capital sources available, including state and federal infrastructure programs, philanthropic funding aligned with aging and rural access, and impact-oriented capital. Smaller or phased projects may align better with certain grant programs or locally sourced funding.

High Point's approach is to remain flexible and supportive of either pathway, helping the District understand how each option may affect funding opportunities, capital structure, and long-term sustainability.

### **Moving Forward**

Ultimately, the decision between incremental improvement and development of a new, right-sized facility is a strategic one. Our role is to provide objective analysis, financial modeling, and capital-market insight to support informed decision-making, regardless of the direction selected. High Point is prepared to assist the District in advancing either approach in a manner that aligns with community needs, financial stewardship, and long-term healthcare access.

## **Scope of Services: Market Readiness & Capital Packaging**

High Point proposes to lead a focused, front-end engagement to position the project for successful capital pursuit.

### **Scope 1: Alternative Financing Availability and Readiness Review - \$17,500**

- Identify and evaluate applicable alternate funding sources to supplement or replace public financing as appropriate (philanthropic, tax credits, impact, tax-advantaged, and traditional)
- Review proposed project scope, budget, phasing assumptions, schedule, and high-level cash flow to assess alignment and timing requirements.
- Review architect and contractor materials for financeability

### **Scope 2: Capital Structuring & Funder Packaging - \$27,000**

- Develop a clear capital stack strategy
- Prepare a concise, funder-ready narrative and financial package
- Support initial outreach to grantmakers, impact investors, NMTC partners, and lenders

Deliverables will be designed for reuse across multiple funding conversations, reducing friction and accelerating capital commitments.

### **Optional Future Services**

Following completion of the Market Readiness & Capital Packaging phase, High Point can continue supporting the District through:

- Ongoing grant and capital pursuit
- Owner's representation and development management
- Full project delivery support from pre-development through first patient day

These services would be provided under a separate agreement, allowing flexibility as the project advances.

## Exhibit A: Cash Flow Estimate

Orcas Island Health Proposal		Initial Consulting Agreement/Scope				
		Month 0	Month 1	Month 2	Month 3	Month 4
Authorized Work Costs Through June 2026			Mar-26	Apr-26	May-26	Jun-26
<b>Scope 1: Alternative Financing Availability and Readiness Review</b>						
New Market Tax Credit (NMTC) Pre-Screen	\$6,000			\$3,000	\$3,000	
Grant & Impact Funding Pre-Screen	\$6,500			\$6,500		
Review project scope, budget, phasing, schedule, and cash flow for alternative financing	\$5,000		\$5,000			
<b>Scope 2: Capital Structuring &amp; Funder Packaging</b>						
Capital Stack Strategy & Feasibility Modeling	\$18,000				\$9,000	\$9,000
Funding Readiness Package	\$9,000				\$4,500	\$4,500
<b>Subtotal</b>	<b>\$44,500</b>		\$5,000	\$9,500	\$16,500	\$13,500
Contingency (5%)	\$2,225		\$250	\$475	\$825	\$675
	<b>\$46,725</b>					
<b>Monthly Total</b>			<b>\$5,250</b>	<b>\$9,975</b>	<b>\$17,325</b>	<b>\$14,175</b>
<b>Cumulative Total</b>	<b>\$46,725</b>	<b>\$0</b>	<b>\$5,250</b>	<b>\$15,225</b>	<b>\$32,550</b>	<b>\$46,725</b>
		Execute Consulting Agreement	Project Kick-Off			
			Review Materials for Alternative Financing			
				Grant Pre-Screen/Search		
				NMTC Pre-Screen		
					Capital Stack & Feasibility Modeling	
					Funding Readiness Package	

## What We Do

### Project Strategy Consulting

Our Project Strategy Phase defines the “what” of your development, producing a comprehensive, decision-ready package that includes stakeholder alignment, scope definition, market analysis, site selection, and concept planning. We layer in scheduling, budgeting, financial strategy, grant research, and early community engagement to ensure the project is grounded, fundable, and tailored to meet both provider and community needs.

### Build-to-Suit Development

We deliver purpose-built medical offices, clinics, behavioral health centers, birthing centers, and senior living facilities tailored to the needs of rural and community-based healthcare. Our projects are driven by mission alignment, long-term value, and stakeholder impact, not just square footage. From initial concept through occupancy, we build collaborative teams, foster community trust, and deliver on time and on budget.

### Creative Capital Strategies

High Point specializes in structuring innovative capital stacks that blend public, private, and philanthropic sources, such as grants, NMTCs, C-PACE, USDA, leasebacks, and programmatic equity, to unlock projects that traditional financing can't. We help our clients secure the capital they need to expand access, improve outcomes, and sustain operations.

# About High Point

High Point Healthcare Real Estate is a specialized development and advisory firm focused on creating impactful healthcare infrastructure in underserved and rural communities. Founded by Katie Newman, an accomplished leader with over 25 years of experience in healthcare design, construction, and development, she has delivered over 1 million square feet of real estate, from medical office buildings and surgery centers to senior housing facilities, always with a mission to expand access to care.

High Point's approach blends architectural insight, data-driven strategy, and deep sector expertise. Our development process begins with rigorous site-level due diligence, including analysis of NMTC eligibility, reimbursement overlays, and community health indicators. We translate these insights into clear, actionable packages that help clients and capital partners align on priorities and move forward with confidence.

Katie's background as an architect informs the firm's collaborative, problem-solving mindset. High Point is known for turning complex challenges into streamlined execution, guiding clients from early programming and stakeholder engagement through financing, design, and clinic opening. Our work is informed by robust datasets and delivered in decision-ready formats that meet the expectations of grantmakers, lenders, and institutional partners alike.

High Point's services span the full development lifecycle, with a commitment to quality, sustainability, and long-term community value. Whether leading a project independently or partnering with local stakeholders, we ensure that every facility is thoughtfully designed, financially sound, and rooted in the needs of the people it serves.



Katie Newman, CEO  
High Point Healthcare Real Estate



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